



Sean Rogan
Executive Director

**COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles**

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Mark Ridley-Thomas
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Michael D. Antonovich**
Commissioners

ADOPTED

Community Development Commission

August 24, 2010

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The Honorable Board of Commissioners
Community Development Commission of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Commissioners:

**FUNDING FOR VARIOUS ENERGY CONSERVATION MEASURES AT THE NUEVA MARAVILLA
HOUSING DEVELOPMENT IN UNINCORPORATED EAST LOS ANGELES
(DISTRICT 1) (3 VOTES)**

SUBJECT

This letter recommends the transfer of up to \$3,500,000 in Commission General Funds as a loan to the Housing Authority to provide funding to leverage the financing of various energy conservation measures at the Nueva Maravilla housing development in unincorporated East Los Angeles, to be paid back to the Commission over fifteen years at 3% interest.

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the Executive Director to transfer up to \$3,500,000 in Commission General Funds as a loan to the Housing Authority to provide funding to leverage the financing of various energy conservation measures at the Nueva Maravilla housing development in unincorporated East Los Angeles, to be paid back over fifteen years at 3% interest.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to provide funding to leverage the financing of various energy conservation measures at the Nueva Maravilla housing development. These measures will serve to conserve energy, increase safety, and provide costs savings to the Housing Authority.

FISCAL IMPACT/FINANCING

The loan of \$3,500,000 from Commission General Funds will be reserved as a line of credit to leverage the financing of various energy conservation measures at the Nueva Maravilla housing development. These funds will be used to finance an Energy Performance Contract (EPC), generating future year's utility savings. HUD allows up to 75% of those utility savings to be used to repay the loan. The loan of \$3,500,000 will be at a fixed interest rate of 3% per annum to be repaid over 15 years. The Housing Authority will return to the Board for separate approval of contracts for the work to be completed under the EPC.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On December 22, 2009, the Board of Commissioners of the Housing Authority approved an engineering and energy efficiency consultant contract to Facility Strategies Group to oversee various energy conservation improvements at Nueva Maravilla. The loan of Commission General Funds will help to finance these improvements. The Housing Authority will return to the Board for separate approval of any contracts to be funded using Commission General Funds.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The funds will help to finance various energy conservation measures at the Nueva Maravilla housing development, which will serve to conserve energy, increase safety, and provide costs savings to the Housing Authority.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", followed by a horizontal line.

SEAN ROGAN
Executive Director

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